

W 01853A-09-0226

ORIGINAL

ARIZONA CORPORATION COMMIS



0000097234

UTILITY COMPLAINT FORM

RECEIVED

Investigator: Brad Morton

Phone: [REDACTED]

Fax: [REDACTED]

2009 MAY 22 P 3:40

Priority: Respond Within Five Days

Opinion No. 2009 - 79129

Date: 5/22/2009

Complaint Description: 08A Rate Case Items - Opposed
N/A Not Applicable

Complaint By: First: Paula & Earl Last: Schultz

Account Name: Paula & Earl Schultz

Home: [REDACTED]

Street: [REDACTED]

Work:

City: Avondale

CBR:

State: AZ Zip: 85392

is:

Utility Company: Parker Lakeview Estates Homeowners Association, Inc. d/b/a

Division: Water

Contact Name: [REDACTED]

Arizona Corporation Commission

Contact Phone: [REDACTED]

Nature of Complaint:

DOCKETED

Docket No. W-01853A-09-0226

MAY 22 2009

May21, 2009

Arizona Corporation Commission

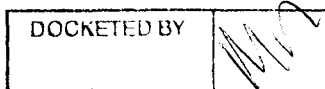
1200 W. Washington Street

Phoenix, AZ 85007-2927

ATTN: D. Smith, Utilities

RE: Parker Lakeview Estates HOA, Inc. dba Parker Spring Water Rate Increase Request

Docket No. W-011853A-09-0226



To Whom It May Concern:

We have recently been advised that Parker Lakeview Estates HOA, Inc. dba Parker Springs Water has requested rate increases for the water utility and usage to the residents of Parker Canyon, Arizona. Please be advised that my husband and I object to such increases for various reasons, which reasons we have set forth below.

For many years the officers (past and present) of Parker Lakeview Estates HOA, Inc. have held that Parker Lakeview Estates HOA is a homeowners association, rather than an Arizona utility. Unfortunately, as many of the property owners of Parker Canyon were week-end residents, and busy with their own lives of working and raising families, many were unaware of what these officers were doing in the community under the guise of a "homeowners association." There were various expenditures made by this "homeowners association" with funds that were paid to it for water utility services, ie. travel, wood chippers, etc.

In 2007, my husband and I, together with Pat and Carol Schultz, hired an attorney to research and investigate the validity of such a homeowners association for this community. As you will note from the attached correspondence from the law firm of Bauman Loewe Wift & Maxwell no such homeowners association was permitted to be organized under the original Declaration. Thus, the officers of Parker Lakeview Estates RCA

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we misrepresnting Parker Lakeview [REDACTED] dba Parker Springs Water and themselves to the residents of this small community. If not for the fraudulent representation by these officers (past and present) and their use of water company funds for other expenditures unrelated to the water company, we feel there would be sufficient monies in the water utility fund, and a rate increase would not be necessary.

Mr. Chacon states in Parker Lakeview's request for a rate increase that one of the expenditures of the water company, although not water company related, is for rental payment of wood chippers for use by the entire Parker Lakeview Estates community in its efforts to help with fire prevention. While my husband and I agree that the use of wood chippers is a good thing, we do not feel it is the duty of the water company to fund this expenditure with monies paid by water company customers for water usage. This is a community project and should be borne equally among the community residents.

Mr. Chacon also states that the water company had unexpected attorneys' fees. We note the receipt (attached to the request for rate increase) of \$500.00 for fees expended relating to the "Schultz threatened lawsuit." We would like to point out to Mr. Chacon and the Corporation Commission [REDACTED] for the constant harassment by the Secretary/Treasurer Gail Spain against many residents of this community and, namely, my husband and I, they would not have had to expend funds for attorney services. For reasons unknown, in early August 2008, Ms. Spain contacted the Cochise County Planning and Zoning Department, as owner of the water company, and requested that our building permits be revoked. Since my husband and I were working with the County regarding the necessary permits for septic and construction, and were in compliance with all requirements, we could not understand the nature of Ms. Spain's request that our permits be revoked. Therefore, my husband and I sent the attached correspondence, dated August 6, 2008, to Mr. Chacon, with copies to each board member of the water company. Yes, this was an unnecessary expenditure.

[REDACTED] Additionally, I have personally spoken with a couple of residents in the community who have stated that they have been denied water services. If the board would work with these residents to resolve the issues pertaining to water services and, ultimately provide water services, the utility's revenue would increase.

Parker Lakeview also requests an increase for meter deposits from \$350.00 to \$450.00, nonrefundable. To request a nonrefundable meter charge is in direct violation of AAC R-14-2-405.B, which states that a meter deposit shall be repaid by the utility at an annual credit rate of 10% per year, to be applied to the November water billing. This request should be denied.

At this time of economic hardship, we feel that a rate increase would pose a hardship for many residents. I know that several residents, ourselves included, have faced job losses this year, and a rate increase at this time will be most difficult

Lastly, before the Corporation Commission makes a decision regarding a rate increase (whether it be for or against), my husband and I request the Corporation Commission conduct an audit on the accounting books of Parker Lakeview Estates HOA dba Parker Canyon Water for the past five years.

Thank you for your attention to our concerns.

Sincerely,

Paula and Earl Schultz

Enclosures

End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

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5/22/09

Called consumer at 12:40pm and left voicemail.

End of Comments

Date Completed: 5/22/2009

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